

STATE OF HAWAII
STATE PROCUREMENT OFFICE
HONOLULU, HAWAII

LEGAL AD DATE: May 29, 1997

INVITATION FOR BIDS

NO. IFB-97-238-H

SEALED BIDS

FOR

FURNISHING

JANITORIAL SERVICES

FOR

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
HILO OFFICES

will be received up to and opened at 2:00 p.m.

on

June 12, 1997

in the State Procurement Office, Kalanimoku Building, 1151 Punchbowl
Street, Room 416, Honolulu, Hawaii 96813.

Questions relating to this bid solicitation may be directed to
Mr. Alvin Washiashi, telephone (808) 586-0571, facsimile (808) 586-0570.

ROBERT J. GOVERNS, CPPB
Procurement Officer

WAGE CERTIFICATE

(For Service Contracts)

Subject: IFB/RFP No.: _____

Title of IFB/RFP: _____

(To be completed by offeror)

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$5,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work; and
2. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror _____

Signature _____

Title _____

Date _____

JANITORIAL SERVICES
FOR
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
HILO OFFICES
IFB-97-238-H

Procurement Officer
State Procurement Office
State of Hawaii
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: _____

Respectfully submitted,

Telephone No.: _____

Fax No.: _____

Exact Legal Name of Offeror

Payment address, if other than
street address at right:

Authorized Signature (Original)

Title

Hawaii General Excise Tax Lic.
I.D. No.: _____

Street Address

Social Sec. or Federal I.D. No.: _____

City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Offeror is: ___ Individual ___ Partnership ___ Corporation ___ Joint Venture

State of incorporation: Hawaii _____ *Other _____

*If "other", is corporate seal available in Hawaii? ___ Yes ___ No

The following bid is hereby submitted for janitorial services for the Department of Labor and Industrial Relations, Hilo Offices, as specified herein:

<u>Item No.</u>	<u>Description</u>	<u>Unit Bid Price</u>	<u>Period</u>	<u>Total Bid Price</u>
1. <u>State Employment Services Office</u>				
a.	GENERAL SERVICES performed on a daily, weekly, and monthly basis	\$_____/mo	12 mos	\$_____
b.	PERIODIC SERVICES			
(1)	Semi-Annual	_____/cleaning	2 times/yr	_____
(2)	Yearly	_____/cleaning	1 time/yr	_____
Sub-Total, No. 1:				\$_____
2. <u>Unemployment Insurance Office</u>				
a.	GENERAL SERVICES performed on a daily, weekly, and monthly basis	\$_____/mo	12 mos	\$_____
b.	PERIODIC SERVICES			
(1)	Semi-Annual	_____/cleaning	2 times/yr	_____
(2)	Yearly	_____/cleaning	1 time/yr	_____
Sub-Total, No. 2:				\$_____
3. <u>DLIR District Office</u>				
a.	GENERAL SERVICES performed on a daily, weekly, and monthly basis	\$_____/mo	12 mos	\$_____
b.	PERIODIC SERVICES			
(1)	Semi-Annual	_____/cleaning	2 times/yr	_____
(2)	Yearly	_____/cleaning	1 time/yr	_____
Sub-Total, No. 3:				\$_____
TOTAL SUM BID:				<u><u>\$_____</u></u>

Offeror_____

Percentage of unit bid price representing employee wages: _____%

Permanent Office Address: _____

Telephone No.: Office _____

Cellular _____

Pager _____

(Contractor must be able to verbally respond to the State within two (2) hours of call/request).

Insurance coverage (where applicable)

	<u>Carrier</u>	<u>Policy No.</u>	<u>Agent</u>
Commercial General Liability	_____	_____	_____
Workers' Compensation	_____	_____	_____
Temporary Disability	_____	_____	_____
Prepaid Health Care	_____	_____	_____

Unemployment Insurance: State of Hawaii Labor No. _____

If you are not required to have one or more of the above coverages, please explain:

Offeror _____

Contractor(s) shall pay their employees for work done under this contract wages equal to or better than Janitor I public employee positions. (Refer to Special Provisions, STATUTORY REQUIREMENTS OF SECTION 103-55, HAWAII REVISED STATUTES).

Offerors shall complete the following: (For State Procurement Office information and evaluation)

1) State Employment Services Office

	<u>No. of Employees</u>	x	<u>Estimated Labor Hours Per Employee</u>	x	<u>Wage Rate</u>	=	<u>Total Bid Price</u>
Janitor I	_____		_____hrs./year		\$9.14		\$_____
Other Costs	xxxxxxx		xxxxxxx		xxxxxxx		_____
Total Bid Price:	(Should be the same as the total sum bid on Offer Form, page OF-2)						\$_____

2) Unemployment Insurance Office

	<u>No. of Employees</u>	x	<u>Estimated Labor Hours Per Employee</u>	x	<u>Wage Rate</u>	=	<u>Total Bid Price</u>
Janitor I	_____		_____hrs./year		\$9.14		\$_____
Other Costs	xxxxxxx		xxxxxxx		xxxxxxx		_____
Total Bid Price:	(Should be the same as the total sum bid on Offer Form, page OF-2)						\$_____

3) DLIR District Office

	<u>No. of Employees</u>	x	<u>Estimated Labor Hours Per Employee</u>	x	<u>Wage Rate</u>	=	<u>Total Bid Price</u>
Janitor I	_____		_____hrs./year		\$9.14		\$_____
Other Costs	xxxxxxx		xxxxxxx		xxxxxxx		_____
Total Bid Price:	(Should be the same as the total sum bid on Offer Form, page OF-2)						\$_____

Offeror _____

SPECIFICATIONS

SCOPE OF WORK

The Contractor shall furnish all labor, supervision, equipment, supplies, and materials, to satisfactorily perform the services specified herein at the Department of Labor and Industrial Relations' (DLIR) Hilo offices. The State shall furnish toilet tissue, hand towels and handsoap, and the Contractor shall be responsible for replenishing these supplies in the proper receptacles or fixtures as required. The Contractor shall provide the trash can liners and shall also furnish all other cleaning supplies and equipment such as ladders, brooms, mops, vacuum cleaner, sponges, brushes, dusters, disinfectants, cleaning detergents and soaps, carpet shampooing supplies and equipment, and any other equipment and supplies necessary to perform specified services.

LOCATION AND AREA

Department of Labor & Industrial Relations
777 Kilauea Avenue
Hilo, Hawaii 96720

Offices

- | | |
|-------------------------------------|---------------------|
| 1. State Employment Services Office | (5,790 square feet) |
| 2. Unemployment Insurance Office | (3,104 square feet) |
| 3. DLIR District Office | (1,151 square feet) |

DESCRIPTION OF WORK

Cleaning shall be done daily, Monday through Friday. If a holiday falls on a weekday (Monday through Friday) the Contractor shall also observe the holiday. No cleaning shall be done between the hours of 7:45 a.m. and 4:30 p.m.

SPECIFICATIONS

The services shall include but not be limited to the following:

A. GENERAL SERVICES

1. Daily

- a. Vacuum floor
- b. Spot clean carpet as necessary
- c. Dust desks, file cabinets and office furniture
- d. Dust telephones, computers, typewriters and other office machines
- e. Empty wastebaskets and trash containers and remove from premises. Replace liners as needed.
- f. Secure all doors and windows when leaving
- g. Empty pencil sharpeners
- h. Empty and clean ash trays
- i. Clean entrance glass doors inside and outside
- j. Turn off all lights, except any designated night lights
- k. Clean bathroom and surrounding area (STATE EMPLOYMENT SERVICES OFFICE ONLY)

A. GENERAL SERVICES (continued)

2. Weekly

- a. Dust all baseboards and window sills
- b. Spot clean doors, door facings and wall surfaces

3. Monthly

- a. High dusting; door ledges and tops of partitions
- b. Wash exterior of windows
- c. Dust blinds

B. PERIODIC SERVICES

1. Semi-Annual

- a. Wash interior of windows
- b. Clean light switch plates
- c. Clean/wipe window blinds

2. Yearly

- a. Shampoo carpet thoroughly

CONTRACTOR'S RESPONSIBILITY

It shall be the Contractor's responsibility to provide and utilize safety signs, barricades and any other safety device(s). These safety devices shall be set-up by the Contractor whenever employees are performing services such as shampooing carpets, stripping or waxing floors, replacing diffusers, and whenever a ladder is being used. Safety devices shall be set up in a manner to restrict access to the area, to prevent accidents to office personnel and to the general public.

Contractor shall adhere to all provisions of the Hazard Communication Standard pertaining to the use of hazardous chemicals at the job site and as administered by the State of Hawaii, Department of Occupational Safety and Health (DOSH). This requirement includes but is not limited to the following:

- 1. Caution signs shall be provided and displayed at each location where there is exposure to toxic materials or harmful physical agents. Labels shall be affixed to all toxic materials or harmful physical agents, or their containers, warning of their potential danger.
- 2. Contractor shall post information (Material Safety Data Sheet) prominently regarding hazards posed by toxic materials or harmful physical agents in the employer's workplace. The information shall include suitable precautions, relevant symptoms, emergency treatment in case of overexposure.
- 3. Contractor's employees required to handle or use poisons, caustics, and other harmful substances shall be instructed regarding safe handling and use, and be made aware of the potential hazards, and of personal hygiene and personal protective measures required.

KEYS

Contractor shall be responsible for State key(s) loaned to Contractor for entry and exit from the agency premises while performing services under State contract. Contractor shall return all keys within twenty-four (24) hours of contract end or when requested by the State. Contractor shall be charged for lock and key replacement(s) if keys are not returned within the twenty-four (24) hour period.

SPECIAL PROVISIONS

SCOPE

The furnishing of Janitorial Services for the Department of Labor and Industrial Relations Office, Hilo Offices shall be in accordance with these Special Provisions, the attached Specifications, and the General Terms and Conditions dated September 1, 1995, included by reference and available at the State Procurement Office, Room 416, 1151 Punchbowl Street, Honolulu, Hawaii 96813 and DAGS Hawaii District Office.

OFFICER-IN-CHARGE

For purposes of this contract, the Officer-in-Charge is Mr. Blayne Hanagami, telephone (808) 933-4481.

TERM OF CONTRACT

Contractor shall enter into a contract for furnishing janitorial services for the twelve-month period, July 1, 1997 to June 30, 1998.

Unless terminated, contract(s) shall be extended for not more than two (2) additional twelve-month periods, without the necessity of rebidding upon mutual agreement in writing at least sixty (60) days prior to expiration, provided that the contract price for the extended periods shall remain the same or lower than the initial bid price or as adjusted in accordance with the price adjustment provision below and/or by State initiated contract modification. Any contract extension must be executed by the Contractor no less than twenty-five (25) days prior to scheduled date of termination, otherwise the requirement must be rebid.

The Contractor or the State may terminate the extended contract at any time upon sixty (60) days prior written notice.

OFFEROR QUALIFICATION

To assure the State that the offeror is capable of performing the work specified herein, offeror must meet the following:

1. Offeror must have applied for a General Excise Tax (GET) license, and operating as an active janitorial maintenance business two years prior to bid opening.
2. Offeror must have a permanent office location on the island of Oahu, from where he/she conducts his/her business during normal working hours and from where he/she will be accessible to requests or complaints. Offeror shall be able to respond (in person or verbally) within two (2) hours from the State's call/request.

SITE INSPECTION

Prior to offer submittal, prospective offeror(s) may inspect the premises of the specified building to thoroughly familiarize themselves with existing conditions and the amount and kind of work to be performed. An inspection is not mandatory; however, submission of an offeror shall be evidence that the offeror understands the scope of the project and will comply with the specifications, if awarded the contract. Offerors shall contact the Officer-in-Charge for an inspection tour or for other information regarding site conditions.

MULTIPLE OR ALTERNATE OFFERS

An offeror shall submit only one offer in response to a solicitation. If an offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected.

Similarly, an offeror shall submit only one offer for each line item (if any) of a solicitation. If an offeror submits more than one offer per line item, then all offers for that line item shall be rejected.

BID PREPARATION

Offer Form, Page OF-1. Offeror is requested to submit its offer using offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on OFFER FORM, page OF-1. Failure to do so may delay proper execution of the contract.

Offeror's authorized signature shall be an original signature in ink. If OFFER FORM, page OF-1, is unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the offeror's intent to be bound.

Tax Liability. Work to be performed under this solicitation is a business activity taxable under Chapter 237, Hawaii Revised Statutes (HRS), and vendors are advised that they are liable for the Hawaii General Excise tax (GET) at the current 4% rate. If, however, an offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

Tax Equalization Provision. For evaluation purposes, pursuant to Section 103-53.5, HRS, as amended, the price offer submitted by an offeror not liable for the GET under this solicitation, shall be increased by the current rate of the GET. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.

Bid Price. Bid price shall include labor, equipment, supplies, transportation, all applicable taxes and any other costs incurred to provide services as specified. Offeror must bid on all items to qualify for award. If there is no additional charge for each Sub-item "b", Item Numbers 1-3, offeror shall indicate "no additional charge" on the bid price line. Offers with unit bid price left blank shall be rejected.

BID PREPARATION (continued)

Tax Clearance. An **original or certified copy** of a tax clearance issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) must be submitted with offeror's sealed offer by the due date and time. The tax clearance shall be obtained on the attached two-part **Tax Clearance Application (Form A-6)** that combines DOTAX and IRS tax clearances.

The application may be mailed in or walked in to either the DOTAX or the IRS. The addresses for DOTAX and IRS district offices are listed on Form A-6. There is limited walk-in service at IRS Maui and Hawaii offices, and none on Kauai.

The DOTAX and IRS encourage the use of their mail-in service, in lieu of walk-in service. It is recommended that the application be mailed to DOTAX where it will be processed and forwarded to the IRS. The process should be completed within twenty-one (21) calendar days. Use of the walk-in service may result in waiting in line at both agencies.

For offeror's information, the tax clearance is valid for forty-five (45) days. If the DOTAX approves a tax clearance certificate on one date and the IRS approves it on another date, the 45-day period will begin with the later date.

The tax clearance submitted with the sealed offer must be valid on the solicitation legal ad date or any date thereafter up to the offer due date. A valid tax clearance received with the offer will remain valid for the contract award.

For the purpose of this solicitation a completed SPO Form TEMP B, "Certification for Tax Clearance" in place of the DOTAX Form A-6 may be submitted with the offer, if offeror is unable to obtain a tax clearance by mail in time to include it with the sealed offer. See attached pink NOTICE for the SPO Form TEMP B. However, prior to award, the successful offeror is required to submit the tax clearance.

NOTE: The above tax clearance requirement is in addition to the existing requirement for final payment. Refer to the special provisions on INVOICING below for information on the tax clearance requirement for final payment.

Offer Guaranty. An offer guaranty is not required for this Invitation for Bids.

Insurance. Offeror shall provide the requested insurance information on the Offer Form, where indicated.

References. Offeror shall submit along with his/her offer or three (3) days from State's request, two (2) written letters of recommendation from companies or government agencies for whom offeror has or is providing commercial janitorial services. Offeror not able to provide the State with the required references will not be considered for award.

The State reserves the right to contact the references submitted to inquire about the offeror's past performance.

PAYROLL AFFIDAVITS

Upon the State's request, Contractor will be required to submit quarterly payroll documentation to the State Procurement Office for all employees working under this contract. Documentation shall include employee time cards, payroll records, and copies of canceled checks to verify that Contractor's employees are being paid State of Hawaii Janitor I prevailing wages for hours worked under this contract. Records shall be submitted to the State Procurement Office by the last day of the month following each quarter (October 31st, January 31st, April 30th, and July 31st).

If Contractor is found to be in violation of Section 103-55, HRS, and does not correct the violation within thirty (30) calendar days and provide evidence to the State Procurement Office that the violation has been corrected, the State will terminate the contract.

STATUTORY REQUIREMENTS OF SECTION 103-55, HRS

Refer to Section 2.8 of the General Terms and Conditions. Offeror shall complete and submit the attached wage certificate by which offeror certifies that the services required will be performed pursuant to Section 103-55, HRS.

Offerors are advised that Section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Bidders are further advised that in the event of an increase in wages for public employees performing similar work during the periods of the contract, Contractor shall be obliged to provide wages not less than those increased wages.

Contractor shall be obliged to notify his employees performing work under this contract of the provisions of Section 103-55, HRS, and of the current wage rates for public employees performing similar work. The Contractor may meet this obligation by posting a notice to this effect in the Contractor's place of business in an area accessible to all employees, or the Contractor may include such notice with each paycheck or pay envelope furnished to the employee.

The State has determined that work to be done under this contract is similar to the Janitor I position; therefore, the Contractor will be required to pay their employees the prevailing State wages for work performed under this contract. Effective January 1, 1995, the wage rate for the Janitor I position is \$9.14 per hour.

METHOD OF AWARD

Award, if made, will be to the responsible and responsive offeror submitting the lowest total sum bid and taking into consideration the information provided on the Offer Form and wages to be paid employees performing work specified here. Offeror must bid on all items to qualify for award. Offers shall be rejected if unit bid prices are left blank.

METHOD OF AWARD (continued)

Prior to awarding contract, the State will require certification of the following insurance coverage:

Workers' Compensation
Temporary Disability
Unemployment Insurance
Prepaid Health Care

CONTRACT EXECUTION

Successful bidder receiving award shall be required to enter into a formal written contract. Performance and payment bonds are not required for this contract.

If the options to extend for the additional twelve month periods are mutually agreed upon, Contractor shall be required to execute a supplement to the contract. Contract extension must be executed by the Contractor no less than twenty-five (25) days prior to scheduled date of termination, otherwise the requirement must be rebid.

CONTRACT PRICE ADJUSTMENT PURSUANT TO SECTION 103-55, HRS

Should Janitor I wages increase subsequent to bid opening, the Contractor may request for increase in contract price. The increase requested must result in increase in wages to Contractor's employees performing the work herein, including any increase in costs for benefits required by law that are automatically, increased as a result of increased wages, such as federal old age benefit, workers compensation, temporary disability insurance, unemployment insurance, and prepaid public health insurance.

The Contractor's request for increase must meet the following criteria:

1. At the time of a request, Contractor must provide documentation to show that it is in compliance with Section 103-55, HRS, i.e., its employees are being paid no less than the known wage of the State position listed herein. Documentation shall include the employees' payroll records and a statement that the employees are being utilized for this contract.
2. At the time of bidding, the Contractor must have specified on the appropriate Offer Form page the percentage of the unit bid price that represents labor costs. If the Contractor fails to specify the percentage, the Contractor's request for increase will not be considered.
3. Request for increase must be made in writing to the State Procurement Office on a timely basis:
 - a. The request must be made as soon as practicable after the State wage agreements are made public. The approved request will be retroactive to the date of increase for State employees.

CONTRACT PRICE ADJUSTMENT PURSUANT TO SECTION 103-55, HRS (continued)

- b. The request for an increase for a supplemental period of the contract must be made prior to the start of the supplement. Contractor shall call the Purchasing Specialist named on the cover of this solicitation to obtain the current wage information.

If the Contractor meets the above criteria in its request for contract price increase, the following formula shall be used to calculate the increase:

First Increase:

$$WI = (XY) (Z) + FB$$

Subsequent Increase(s):

$$WI = AZ + FB$$

whereby, WI = Dollar amount increase in unit bid price due to increase in State wages;

X = Original contract price per month;

Y = Percentage of unit price designated by Contractor as representing labor costs;

Z = Percentage increase in wages paid to State employees performing similar work;

FB = Additional costs for those benefits required by statute, directly related to the allowed increase in wages paid to Contractor's employees;

A = That portion of the contract amount representing wages (this amount is X times Y plus any increase(s) in contract price per month resulting from increase in State wages).

The increase shall be reflected in either a contract modification or in the supplemental agreement issued for any extended period of the initial contract.

LIABILITY INSURANCE

Contractor shall provide the following minimum insurance limits and coverage:

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (occurrence form)	\$300,000 combined single limit per occurrence for bodily injury and property damage

Contractor shall maintain insurance acceptable to the State in full force and effect throughout the term of this contract. The policy or policies of insurance maintained by the Contractor shall provide the limits and coverages specified in the Special Provisions of this bid solicitation.

LIABILITY INSURANCE (continued)

Each insurance policy required by this contract shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P. O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

Each insurance policy shall be written by insurance companies licensed to do business in the State or meet Section 431:8-301, Hawaii Revised Statutes, if utilizing an insurance company not licensed by the State of Hawaii.

The Contractor agrees to deposit with the State of Hawaii, on or before the effective date of this contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire term of this contract. Upon request by the State, Contractor shall furnish a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

INVOICE

Contractor shall send an original and three (3) copies of the monthly invoice to:

Department of Labor and Industrial Relations
777 Kilauea Avenue
Hilo, HI 96820

All invoices shall reference the contract number and shall itemize costs for general services, and when applicable, costs for quarterly and annual services.

INVOICE (continued)

The tax clearance submitted with Contractor's invoice for final payment now requires both DOTAX and IRS approvals. The clearance submitted earlier is not acceptable for final payment purposes. Contractor must obtain a new tax clearance from DOTAX and IRS and it must be an original (certified copy is not acceptable), not over 45 days old, with box 3.a. of the **Tax Clearance Application (Form A-6)** completed for a specific contract, purchase order, or job number.

PAYMENT

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory performance of the services to make payment. For this reason, the State will reject any bid submitted with a condition requiring payment within a shorter period. Further, the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

INSPECTIONS

The Officer-in-Charge or his representative reserves the right to inspect Contractor's job performance at any time.

RE-EXECUTION OF WORK

The Contractor shall re-execute any work that fails to conform to the requirements of the contract that appears during the course of the work and shall immediately remedy any defects due to faulty workmanship by the Contractor.

LIQUIDATED DAMAGES

Refer to Section 6.12 of the General Terms and Conditions. Liquidated damages are fixed at the sum of TWENTY-FIVE DOLLARS (\$25.00) for each and every calendar day the Contractor fails to perform in whole or in part, any of his obligations specified hereunder.

REMOVAL OF CONTRACTOR'S EMPLOYEES

Contractor agrees to remove any of his employees from services rendered and to be rendered the State, upon request in writing by the Contracting Officer.

RIGHTS AND REMEDIES FOR DEFAULT

In the event the Contractor fails, refuses or neglects to perform the services in accordance with the requirements of these Special Provisions, the Specifications, and General Terms and Conditions herein, in addition to the recourse stated in Section 6 of the General Terms and Conditions, the State reserves the right to purchase in the open market, a corresponding quantity of the services specified herein and to deduct from any moneys due or that may thereafter become due the Contractor, the difference between the price named in the contract and the actual cost thereof to the State. In case any money due the Contractor is insufficient for said purpose, the Contractor shall pay the difference upon demand by the State. The State may also utilize all other remedies provided by law.

ADDITIONS AND EXCEPTIONS TO THE GENERAL TERMS AND CONDITIONS

Approvals. Any agreement arising out of this offer is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in Sections 3-122-95 through 3-122-97, Hawaii Administrative Rules.

General Terms and Conditions Not Applicable. Sections 2.11 and 2.14 of the General Terms and Conditions which apply specifically to the Request for Proposals method of source selection are not applicable to Invitation for Bids. Also Sections 2.10 and 2.13 which apply specifically to the Invitation for Bids method of source selection are not applicable to Requests for Proposals.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.